

G. Casan General
Brief ReviewC O N F I D E N T I A L30th September, 1959.COCOM Document No. 3700.4BCOORDINATING COMMITTEE

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MEMORANDUM BY THE BELGIAN DELEGATIONCONCERNING THE REVIEW OF THE INTERNATIONAL LISTS

The Belgian Delegation have the honour to submit to the Committee their proposals regarding certain items on List I.

- I. ITEM 1720 *Item 1648(d) Cobalt metal Delete*
 " 1720 Delete

During the discussions which took place in the Committee in the course of the review of items in the "Basic Metals and Mill Products" category, the Belgian Delegation took the opportunity of stressing the development in the production and consumption of cobalt which has been manifest for several years.

The constant expansion of production of this metal was not paralleled by a corresponding progress in consumption. The disparity between the quantities of cobalt available on the world market and the needs of users was reflected in the price evolution.

The average price of cobalt metal in Western Countries underwent a noticeable regression, falling from \$ 2.6 per lb. weight in 1956 to \$ 2.- in 1957 and \$ 1.75 at the beginning of 1959.

Despite the unfavourable consequences of this situation upon the economy of Belgium and the Belgian Congo, the Belgian Government finally declared themselves in favour of the retention of cobalt metal under embargo. On the other hand, they drew the Committee's attention (see COCOM Document 3416.48/1) to the reasons which in their view told in favour of extensive relaxations in the field of exports of the cobalt compounds covered in Item 1648(d) of the old International List.

The arguments put forward by certain member countries in support of the retention of a very restrictive control over the supply of cobalt compounds to the Sino-Soviet Bloc did not convince the Belgian authorities. In a spirit of compromise, however, they ended by resigning themselves to the acceptance of the definition now set out in Item 1720 of the International List.

The Belgian authorities recently carried out a very careful re-examination of the question of the delivery to the Sino-Soviet Bloc of cobalt metal and of compounds of this metal, and reached the conclusion that the retention of these items under embargo is no longer justified according to the principles and criteria underlying the strategic controls.

It is evident that the uses of cobalt for the coverage of military needs are being progressively reduced owing to the new developments in the nature of armaments and the probable duration of any armed conflict. This fact, moreover, has been demonstrated by the measures taken by the United States Government as regards the stockpiling of cobalt.

The Belgian authorities consequently share the view expressed by several Delegations during the discussions held in June 1958, that, in the present state of the utilisation of cobalt, both in the military field and for civilian uses, criterion (a) no longer applies.

Moreover, this metal can be replaced in numerous military applications, at least in part, by nickel, which has been withdrawn from total embargo and now appears on the Watch List as Item 4661.

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In the opinion of the Belgian experts, the freeing of nickel does away with all justification for the retention of a more restrictive control for exports of cobalt.

Lastly, the Belgian Delegation wish to stress that the interested Belgian industries have not received from the purchasing organisms of the Communist-dominated countries any orders for the delivery of cobalt compounds at present covered by Item 1720 on the International List.

Although it would not be an economic proposition to extract cobalt from these compounds, the Belgian experts are nevertheless of the opinion that if the Soviet Bloc were indeed faced with a shortage of cobalt, they would not have hesitated to resort to purchases of these compounds in order to alleviate the inadequacy of their supplies for uses of a strategic nature.

This situation leads to the conclusion that criterion (c) is no longer applicable in present circumstances.

II. ITEM 1653

The retention of this item under embargo no longer seems justified in the eyes of the Belgian authorities, for the following reasons.

On the quantitative plane, this restrictive control provides no practical limitation of the coverage of the Soviet Bloc's needs owing to the fact that supplies of oxides and metal having a resistivity of less than 50 ohm are no longer prohibited.

The transformation of metal having a resistivity of less than 50 ohm into metal having a resistivity of 50 ohm or better which also appears in polycrystalline form, calls for no extensive industrial equipment or exceptional technical knowledge.

The Belgian Delegation consequently propose that the Committee delete this item from the International List.

The Belgian authorities will study with great attention any observations which may be put forward in the Committee regarding the foregoing proposals.

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